

**WORKFORCE SAFETY & INSURANCE**  
**INVESTMENT PERFORMANCE REPORT AS OF AUGUST 31, 2008**

	August-08				July-08				Current FYTD	Prior Year FY08	3 Years Ended 6/30/2008	5 Years Ended 6/30/2008
	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Month Net ROR	Net	Net	Net	Net
<b>LARGE CAP DOMESTIC EQUITY</b>												
<b>Structured Growth</b>												
Los Angeles Capital	18,222,844	1.5%	1.5%	-0.56%	18,477,487	1.5%	1.5%	-1.18%	-1.73%	-7.79%	7.68%	N/A
<b>Total Structured Growth</b>	<b>18,222,844</b>	<b>1.5%</b>	<b>1.5%</b>	<b>-0.56%</b>	<b>18,477,487</b>	<b>1.5%</b>	<b>1.5%</b>	<b>-1.18%</b>	<b>-1.73%</b>	<b>-7.79%</b>	<b>7.68%</b>	<b>9.56%</b>
Russell 1000 Growth				1.08%				-1.90%	-0.84%	-5.96%	5.91%	7.32%
<b>Structured Value</b>												
<b>LSV</b>	<b>16,560,077</b>	<b>1.3%</b>	<b>1.5%</b>	<b>1.61%</b>	<b>16,428,751</b>	<b>1.3%</b>	<b>1.5%</b>	<b>-0.58%</b>	<b>1.02%</b>	<b>-21.43%</b>	<b>3.81%</b>	<b>11.57%</b>
Russell 1000 Value				1.70%				-0.36%	1.33%	-18.78%	3.53%	8.92%
<b>Russell 1000 Enhanced Index</b>												
<b>LA Capital</b>	<b>35,709,062</b>	<b>2.9%</b>	<b>2.9%</b>	<b>0.76%</b>	<b>35,733,594</b>	<b>2.9%</b>	<b>2.9%</b>	<b>-2.05%</b>	<b>-1.30%</b>	<b>-9.54%</b>	<b>6.97%</b>	<b>N/A</b>
Russell 1000				1.38%				-1.16%	0.20%	-12.36%	4.81%	N/A
<b>S&amp;P 500 Enhanced Index</b>												
<b>Westridge</b>	<b>36,969,994</b>	<b>3.0%</b>	<b>2.9%</b>	<b>1.58%</b>	<b>36,701,140</b>	<b>3.0%</b>	<b>2.9%</b>	<b>-0.73%</b>	<b>0.85%</b>	<b>-12.18%</b>	<b>4.98%</b>	<b>N/A</b>
S&P 500				1.45%				-0.84%	0.59%	-13.12%	4.41%	N/A
<b>Index</b>												
State Street	11,874,763			0.31%	11,935,569			-1.16%	-0.85%	-18.24%	2.93%	6.64%
<b>Total 130/30</b>	<b>11,874,763</b>	<b>1.0%</b>	<b>1.0%</b>	<b>0.31%</b>	<b>11,935,569</b>	<b>1.0%</b>	<b>1.0%</b>	<b>-1.16%</b>	<b>-0.85%</b>	<b>-18.24%</b>	<b>2.93%</b>	<b>6.64%</b>
S&P 500				1.45%				-0.84%	0.59%	-13.12%	4.41%	7.59%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>119,336,740</b>	<b>9.6%</b>	<b>9.8%</b>	<b>0.88%</b>	<b>119,276,541</b>	<b>9.6%</b>	<b>9.8%</b>	<b>-1.22%</b>	<b>-0.35%</b>	<b>-12.71%</b>	<b>5.68%</b>	<b>9.31%</b>
S&P 500				1.45%				-0.84%	0.59%	-13.12%	4.41%	7.59%
<b>SMALL CAP DOMESTIC EQUITY</b>												
<b>Manager-of-Managers</b>												
<b>SEI</b>	<b>19,741,381</b>	<b>1.6%</b>	<b>1.6%</b>	<b>2.40%</b>	<b>19,413,973</b>	<b>1.6%</b>	<b>1.6%</b>	<b>0.99%</b>	<b>3.41%</b>	<b>-20.93%</b>	<b>2.06%</b>	<b>9.10%</b>
Russell 2000 + 200bp				3.78%				3.87%	7.79%	-14.48%	5.88%	12.50%
<b>Enhanced</b>												
<b>Research Affiliates</b>	<b>20,958,266</b>	<b>1.7%</b>	<b>1.6%</b>	<b>3.55%</b>	<b>20,372,050</b>	<b>1.6%</b>	<b>1.6%</b>	<b>2.98%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
Russell 2000				3.61%				3.70%	7.45%	-16.19%		
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>40,699,646</b>	<b>3.3%</b>	<b>3.3%</b>	<b>2.99%</b>	<b>39,786,023</b>	<b>3.2%</b>	<b>3.3%</b>	<b>1.97%</b>	<b>5.02%</b>	<b>-21.14%</b>	<b>1.97%</b>	<b>9.04%</b>
Russell 2000				3.61%				3.70%	7.45%	-16.19%	3.79%	10.29%
<b>INTERNATIONAL EQUITY</b>												
<b>Large Cap - Active</b>												
Capital Guardian	34,506,825	2.8%	3.2%	-3.83%	36,064,679	2.9%	3.2%	-4.00%	-7.68%	-12.37%	12.24%	14.35%
LSV	34,756,708	2.8%	3.2%	-1.07%	35,330,137	2.9%	3.2%	-2.50%	-3.55%	-25.78%	7.37%	N/A
<b>Total Large Cap - Active</b>	<b>69,263,533</b>	<b>5.6%</b>	<b>6.4%</b>	<b>-2.47%</b>	<b>71,394,815</b>	<b>5.8%</b>	<b>6.4%</b>	<b>-3.27%</b>	<b>-5.66%</b>	<b>-19.29%</b>	<b>9.83%</b>	<b>13.46%</b>
MSCI EAFE - 50% Hedged				-1.59%				-2.64%	-4.19%	-15.14%	10.93%	14.67%
<b>Small Cap - Value</b>												
DFA	8,067,736	0.6%	0.8%	-3.22%	8,388,692	0.7%	0.8%	-4.44%	N/A	N/A	N/A	N/A
<b>Total Small Cap Value</b>	<b>8,067,736</b>	<b>0.6%</b>	<b>0.8%</b>	<b>-3.22%</b>	<b>8,388,692</b>	<b>0.7%</b>	<b>0.8%</b>	<b>-4.44%</b>	<b>-7.52%</b>	<b>-12.74%</b>	<b>9.30%</b>	<b>17.27%</b>
S&P/Citigroup Broad Market Index < \$2BN				-5.40%				-4.30%	-9.47%	-25.49%	7.39%	17.33%
<b>Small Cap - Growth</b>												
<b>Vanguard</b>	<b>7,834,815</b>	<b>0.6%</b>	<b>0.8%</b>	<b>-5.82%</b>	<b>8,160,450</b>	<b>0.7%</b>	<b>0.8%</b>	<b>-5.82%</b>	<b>-11.30%</b>	<b>-17.52%</b>	<b>11.77%</b>	<b>20.18%</b>
Citigroup Broad Market Index < \$2BN				-5.40%				-4.30%	-9.47%	-25.49%	7.39%	17.33%
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>85,166,083</b>	<b>6.9%</b>	<b>8.0%</b>	<b>-2.85%</b>	<b>87,943,957</b>	<b>7.1%</b>	<b>8.0%</b>	<b>-3.62%</b>	<b>-6.37%</b>	<b>-18.83%</b>	<b>9.79%</b>	<b>14.56%</b>
MSCI EAFE - 50% Hedged				-1.59%				-2.64%	-4.19%	-15.14%	10.93%	14.67%

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	August-08				July-08				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Policy	Month	Market Value	Allocation	Policy	Month	FYTD	FY08	Ended	Ended
				Net ROR				Net ROR	Net	Net	6/30/2008	6/30/2008
											Net	Net
<b>DOMESTIC FIXED INCOME</b>												
<b>Core Bond</b>												
<b>Western Asset</b>	<b>176,246,537</b>	<b>14.2%</b>	<b>14.1%</b>	<b>1.03%</b>	<b>174,384,838</b>	<b>14.1%</b>	<b>14.1%</b>	<b>-1.78%</b>	<b>-0.76%</b>	<b>2.06%</b>	<b>2.76%</b>	<b>3.55%</b>
<i>Lehman Aggregate</i>				0.95%				-0.08%	0.87%	7.12%	4.09%	3.86%
<b>Mortgage Backed</b>												
<b>Hyperion</b>	<b>33,904,395</b>	<b>2.7%</b>	<b>4.0%</b>	<b>-10.70%</b>	<b>38,231,179</b>	<b>3.1%</b>	<b>4.0%</b>	<b>-8.02%</b>	<b>-17.87%</b>	<b>-20.24%</b>	<b>N/A</b>	<b>N/A</b>
<i>Lehman Global Aggregate (US Securitized Portion)</i>				-0.46%				-0.06%	-0.52%	10.14%		
<b>Core Plus/Enhanced</b>												
Clifton Group	52,027,949	4.2%	4.0%	1.11%	51,316,972	4.1%	4.0%	0.45%	1.56%	10.17%	N/A	N/A
Prudential	51,589,003	4.2%	4.0%	0.71%	51,158,656	4.1%	4.0%	-0.24%	0.46%	4.89%	N/A	N/A
<b>Total Core Plus/Enhanced</b>	<b>103,616,953</b>	<b>8.3%</b>	<b>8.0%</b>	<b>0.91%</b>	<b>102,475,628</b>	<b>8.3%</b>	<b>8.0%</b>	<b>0.10%</b>	<b>1.01%</b>	<b>7.55%</b>	<b>N/A</b>	<b>N/A</b>
<i>Lehman Aggregate</i>				0.95%				-0.08%	0.87%	7.12%		
<b>Index</b>												
Bank of ND	90,619,886	7.3%	7.0%	1.06%	89,618,727	7.2%	7.0%	0.07%	1.14%	7.68%	3.93%	3.28%
Bank of ND CD'S	35,846,616	2.9%	2.9%	0.42%	35,696,281	2.9%	2.9%	0.42%	0.84%	4.63%	N/A	N/A
<b>Total Index</b>	<b>126,466,502</b>	<b>10.2%</b>	<b>9.9%</b>	<b>0.88%</b>	<b>125,315,007</b>	<b>10.1%</b>	<b>9.9%</b>	<b>0.17%</b>	<b>1.06%</b>	<b>6.80%</b>	<b>3.80%</b>	<b>3.14%</b>
<i>Lehman Govt/Credit (1)</i>				0.92%				0.00%	0.92%	7.24%	3.84%	3.24%
<b>BBB Average Quality</b>												
<b>Wells Capital (formerly Strong)</b>	<b>180,148,212</b>	<b>14.5%</b>	<b>14.1%</b>	<b>0.83%</b>	<b>178,693,646</b>	<b>14.4%</b>	<b>14.1%</b>	<b>-0.59%</b>	<b>0.24%</b>	<b>3.55%</b>	<b>3.04%</b>	<b>3.85%</b>
<i>Lehman US Credit BAA</i>				0.80%				-0.67%	0.13%	2.62%	2.52%	3.59%
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>620,382,598</b>	<b>49.9%</b>	<b>50.0%</b>	<b>0.20%</b>	<b>619,100,299</b>	<b>50.0%</b>	<b>50.0%</b>	<b>-1.15%</b>	<b>-0.95%</b>	<b>2.45%</b>	<b>2.71%</b>	<b>3.26%</b>
<i>Lehman Aggregate (2)</i>				0.95%				-0.08%	0.87%	7.12%	4.09%	3.73%
<b>INFLATION PROTECTED ASSETS</b>												
Northern Trust Global Investments	144,067,668	11.6%	11.0%	0.82%	142,932,235	11.5%	11.0%	-0.45%	0.37%	15.69%	5.79%	N/A
Western	141,856,456	11.4%	11.0%	1.26%	140,275,900	11.3%	11.0%	-1.33%	-0.09%	12.34%	4.42%	N/A
<b>TOTAL INFLATION PROTECTED ASSETS</b>	<b>285,924,124</b>	<b>23.0%</b>	<b>22.0%</b>	<b>1.04%</b>	<b>283,208,135</b>	<b>22.9%</b>	<b>22.0%</b>	<b>-0.89%</b>	<b>0.14%</b>	<b>14.00%</b>	<b>5.10%</b>	<b>N/A</b>
<i>LB US TIPS Index</i>				0.82%				-0.51%	0.30%	15.10%	5.62%	N/A
<b>REAL ESTATE</b>												
<b>JP Morgan</b>	<b>84,204,444</b>	<b>6.8%</b>	<b>6.0%</b>	<b>-0.12%</b>	<b>84,203,650</b>	<b>6.8%</b>	<b>6.0%</b>	<b>-0.12%</b>	<b>-0.23%</b>	<b>-0.77%</b>	<b>N/A</b>	<b>N/A</b>
<i>NCREIF Total Index</i>				0.19%				0.19%	0.37%	9.20%	14.82%	N/A
<b>CASH EQUIVALENTS</b>												
<b>Bank of ND</b>	<b>6,513,780</b>	<b>0.5%</b>	<b>1.0%</b>	<b>0.17%</b>	<b>5,843,786</b>	<b>0.5%</b>	<b>1.0%</b>	<b>0.16%</b>	<b>0.33%</b>	<b>3.43%</b>	<b>4.10%</b>	<b>3.38%</b>
<i>90 Day T-Bill</i>				0.16%				0.18%	0.33%	3.63%	4.27%	3.18%
<b>TOTAL WSI</b>	<b>1,242,227,416</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.31%</b>	<b>1,239,362,391</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-1.10%</b>	<b>-0.79%</b>	<b>0.57%</b>	<b>4.70%</b>	<b>6.18%</b>
<b>POLICY TARGET BENCHMARK</b>				0.80%				-0.31%	0.48%	4.22%	5.78%	6.56%

**NOTE: Monthly returns and market values are preliminary and subject to change.**

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.